

Senate Political Subdivisions  
Chairperson and Committee Members

HB 1419 Opposition



The Downtown Business Association of Bismarck represents over 200 members with 9,000 employees in North Dakota's second largest employment district. Our Board of Directors have been closely watching the City of Bismarck and their Special Assessment Task Force and study. We have quite a few concerns regarding HB 1419. The legislature asked the City of Bismarck to bring a fee matrix after this effort failed in the past. This bill would allow cities to replace a special assessment with a street utility fee. It would give cities new authority to create a city-wide fee, however:

- The matrix of factors the city could use to assess the fee are dependent on how up to date their records are or generalized systems like trip-generator which can be unreliable and not based on true use.
- ITE Trip Generator used by the City of Bismarck's consultant, is a model that should not be used in a Downtown or any mixed-use neighborhood and may only apply to single-use commercial areas if at all. (*Alternative 5- Tiered Fixed Fee*)
- The factors used by the City of Bismarck's consultant as an example of a possible fee-- shows 300% increases in monthly fees over average for Downtown commercial office and multi-family apartment units. (*Alternative 5- Tiered Fixed Fee*)
- There was no consideration of walkable neighborhoods in the fee system provided
- There is no official property owner protest option in this fee-system as there are in current similar special assessments. Going from required protest periods to none all at once is likely to cause concern for property owners.
- Small Downtown businesses could be tiered with large big-box store that generate far more car traffic, Downtown storefronts paying 35x more per trip than a big box store

While HB 1419 allows cities to access a new fee tool, the details around: property owner input, lack of sophisticated data sets, and guardrails to ensure this fee would be applied equitably are not present. We recommend a Do Not Pass as the bill stands today.

A handwritten signature in black ink, appearing to read "Kate Herzog".

Kate Herzog, COO  
Chief Operating Officer  
Downtowners Bismarck